

Carla Bienkowski

PIA 2019-16

From: 72975-61795920@requests.muckrock.com
Sent: Friday, May 10, 2019 5:30 PM
To: OpenRecords
Subject: Texas Public Information Act Request: Follow up

CAUTION: This email originated from outside of the Credit Union Department's email system.
DO NOT click links or open attachments unless you expect them from the sender and know the content is safe.

Texas Credit Union Department
Texas Public Information Act Office
Credit Union Department
914 E. Anderson Lane
Austin, TX 78752

May 10, 2019

To Whom It May Concern:

Pursuant to the Texas Public Information Act, I hereby request the following records:

A copy of any letters sent regarding my previous Texas Public Information Act request. The specific request referenced here is the one in which Carla released confidential information. Please let me know if you require any additional information to identify these documents.

The requested documents will be made available to the general public, and this request is not being made for commercial purposes.

In the event that there are fees, I would be grateful if you would inform me of the total charges in advance of fulfilling my request. I would prefer the request filled electronically, by e-mail attachment if available or CD-ROM if not.

Thank you in advance for your anticipated cooperation in this matter. I look forward to receiving your response to this request within 10 business days, as the statute requires.

Sincerely,

John Ricker

Filed via MuckRock.com

E-mail (Preferred): 72975-61795920@requests.muckrock.com

Upload documents directly:

https://accounts.muckrock.com/accounts/login/?next=https%3A%2F%2Fwww.muckrock.com%2Faccounts%2Flogin%2F%3Fnext%3D%252Faccounts%252Fagency_login%252Ftexas-credit-union-department-17255%252Ffollow-up-72975%252F%253Femail%253Dopenrecords%252540ud.texas.gov&url_auth_token=AABS6VfolgYsYzUBuRfYqvhbst8%3A1hPE1C%3AUHyC3Co9t-BGXizuoCZxCJi69io

Is this email coming to the wrong contact? Something else wrong? Use the above link to let us know.

For mailed responses, please address (see note):

MuckRock News

DEPT MR 72975

411A Highland Ave

Somerville, MA 02144-2516

PLEASE NOTE: This request is not filed by a MuckRock staff member, but is being sent through MuckRock by the above in order to better track, share, and manage public records requests. Also note that improperly addressed (i.e., with the requester's name rather than "MuckRock News" and the department number) requests might be returned as undeliverable.





CREDIT UNION DEPARTMENT

John J. Kolhoff
Commissioner

Robert W. Etheridge
Deputy Commissioner

February 28, 2019

Caroline Willard, President/CEO
Cornerstone Credit Union League
6801 Parkwood Blvd., Ste 300
Plano, Texas 75024

Re: Proprietary Information Request

Dear Ms. Willard:

We have received a formal request for information concerning exams and the dates of the exams. A copy of the request for information is enclosed. The requested information will affect all state-chartered credit unions.

The Office of the Attorney General is reviewing this matter, and they will be issuing a decision on whether Texas law requires us to release the dates of the exams. Normally the Public Information Act (the Act) requires us to release the requested information, but there are exceptions. You have the right to object to the release of this information by submitting written arguments to the attorney general that one of more of the exceptions apply to this information. This is not a requirement but saying nothing could cause the release of all credit unions and the dates of the examination(s).

If you submit an argument you must follow the guidelines of Gov't Code § 552.305(d) and the following:

- a) identify the legal exceptions that apply,
- b) identify the specific parts of each item that are covered by the exception, and
- c) explain why each exception applies.

Gov't Code § 552.305(e) requires you to provide a copy of your argument(s) to the requestor of the information. If there is information in your argument that you believe the requestor should not have you may redact.


Comments must be submitted to the Attorney General within 10 days after receiving this letter. The arguments can be sent to:

Office of the Attorney General
Open Records Division
PO Box 12548
Austin, Texas 78711-2548

Caroline Willard, President/CEO
Cornerstone Credit Union League
February 28, 2019
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If you wish to submit your comment electronically, you may only do so via the Office of the Attorney General's eFiling System. You will be charged an administrative convenience charge for the use of the eFiling System. This is the only electronic submission available. For more information please visit the attorney general's website at <http://www.texasattorneygeneral.gov>.

Sincerely,


Robert W. Etheridge
Deputy Commissioner

RWE/cjb

Enclosures (2)



CREDIT UNION DEPARTMENT

John J. Kolhoff
Commissioner

Robert W. Etheridge
Deputy Commissioner

February 28, 2019

Melodie Durst, Executive Director
Credit Union Coalition of Texas
PO Box 171089
Austin, Texas 78717-1089

Re: Proprietary Information Request

Dear Ms. Durst:

We have received a formal request for information concerning exams and the dates of the exams. A copy of the request for information is enclosed. The requested information will affect all state-chartered credit unions.

The Office of the Attorney General is reviewing this matter, and they will be issuing a decision on whether Texas law requires us to release the dates of the exams. Normally the Public Information Act (the Act) requires us to release the requested information, but there are exceptions. You have the right to object to the release of this information by submitting written arguments to the attorney general that one of more of the exceptions apply to this information. This is not a requirement but saying nothing could cause the release of all credit unions and the dates of the examination(s).

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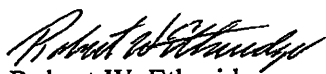
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Office of the Attorney General
Open Records Division
PO Box 12548
Austin, Texas 78711-2548

Melodie Durst, Executive Director
Credit Union Coalition of Texas
February 28, 2019
Page 2

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Sincerely,


Robert W. Etheridge
Deputy Commissioner

RWE/cjb

Enclosures (3)



CREDIT UNION DEPARTMENT

John J. Kolhoff
Commissioner

Robert W. Etheridge
Deputy Commissioner

February 28, 2019

Office of the Attorney General
Price Daniel Building—6th Floor
P.O. Box 12548
Austin, Texas 78711-2548

Re: Request for Ruling: Public Information Request from John Ricker via MuckRock News

Dear Sir/Madam:

On February 8, 2019, the Credit Union Department ("the Department") received a request for information under the Texas Public Information Act; the Department asked the requestor for clarification and received a response on February 8, 2019 (Exhibit A).

The request specifically asked for *"a list of credit unions that have had exams for the past two years and the dates they had the exams(audits)."*

On February 19, 2019, the Department notified your office it would seek confirmation as to whether the dates of examination reports requested should be withheld under Government Code §§552.101, 552.110(b), and 552.112, as confidential under Finance Code §126.002. The Department sent a copy of the request for decision to the requestor.

In accordance with §552.301(e), and within fifteen business days of the receipt of the request for information, the Department is now submitting written comments stating why the requested information should not be released.

INTRODUCTION

The Texas Credit Union Department supervises and regulates state-chartered credit unions and is tasked by Finance Code §126.051 to periodically examine the books and records of each credit union. Texas Administrative Code §97.105 clarifies periodically to be at least once during each 12-month period with some intervals extended to a maximum of 18 months, if the institution's safety and soundness permits the extension. However, examination reports can and are performed more frequently at institutions experiencing financial issues or perceived to be a higher regulatory concern by the Department. In practice, to facilitate the workout of such credit unions, problematic institutions are typically examined two to four times more frequently than those exhibiting strong characteristics.

In the course of regulation, the Department obtains information on the financial condition or business affairs of those credit unions and credit union members through an examination. Finance Code §126.002(a) designates this information obtained as confidential. Further §126.054(c) designates the examination report to be confidential. Finally, §555.112(a) allows exception to the Public Information Act if it is information “contained in or relating to” the examination of a financial institution.

The Department does agree to release a list of credit unions examined over the two-year period. However, the Department believes releasing examination report dates can have a negative impact on the reputation of individual credit unions in problematic status or inappropriately provide the Department’s “stamp of approval” on credit unions currently perceived as highly safe and sound.

Therefore, providing a listing of examination dates, or the number of times an institution was examined, would indicate the level of regulatory concern the Department has regarding an institution and therefore infer the FFIEC CAMELS rating assigned by this agency potentially causing harm to certain institutions and in contravention with the records exemption noted by Government Code §552.110(b).

Providing such information to the public is in contravention with Texas Finance Code, Title 3, Subtitle D: Sec. 121.0011 outlining the Departments purpose and Texas state policy to promote public confidence within the credit union industry while maintaining the Department’s independence, and confidentiality of judgement.

To meet the statutory exceptions to the Public Information Act the Department is providing our proposed response to the requestor as outlined in Exhibit B.

CERTAIN INFORMATION REQUESTED IS CONFIDENTIAL BY STATUTE

The Department is seeking a determination that the records are confidential by law under Finance Code §126.002 and, accordingly, are excepted from disclosure by Government Code §552.101.

As set out below, these are the records that Finance Code §§126.002 and 126.054(c) require to be kept confidential.

Finance Code §126.002(a) provides:

CONFIDENTIALITY.

(a) Except as provided by Subsections (b) and (c), information obtained directly or indirectly by the department in any manner, **including by application or examination**, concerning the financial condition or business affairs of a credit union and the files and

records of the department relating to that information, except a statement intended for publication, are confidential.

(Subsections (b) and (c), relating to disclosure of information to a share and deposit guaranty corporation or to a law enforcement agency or other state or federal agency, or for the purposes of enforcement of the order, are not relevant in this case.)

Finance Code §126.054(c) provides:

REPORT OF EXAMINATION.

(c) The report of examination is confidential. The commissioner may provide a copy of the report to other parties as described in Section 126.002(c).

The dates sought by the requestor were compiled by the Department from information obtained during the examination process, both directly from department observations and indirectly, from another agency, and concern the financial condition and business affairs of the credit union. Should the dates be released, it could have a detrimental effect on the reputation and financial stability of individual credit unions and the credit union industry in general. This could have a detrimental effect on the Department's supervision of credit unions.

Under Finance Code §§126.002(a) and 126.054(c), the documents are confidential and should be protected from disclosure under Government Code §552.101.

In addition, and in the alternative, the Department is seeking a determination that the dates are excepted from disclosure by Government Code §552.112(a) and §552.110(b).

Government Code § 552.112(a) provides:

“Information is excepted from the requirements of Section 552.021 if it is information contained in or relating to examination, operating, or condition reports prepared by or for an agency responsible for the regulation or supervision of financial institutions or securities, or both.”

Government Code § 552.110(b) provides:

“Commercial or financial information for which it is demonstrated based on specific factual evidence that disclosure would cause substantial competitive harm to the person from whom the information was obtained is excepted from the requirements of Section 552.021

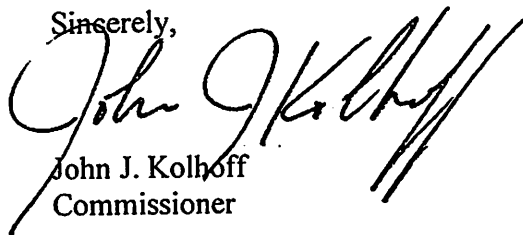
The dates in question relate to the examination, operating, or condition reports prepared by and for the Department. As noted above, the Department is responsible for the regulation and supervision of state-chartered credit unions. Providing the requested information could cause reputational and financial harm to impacted institutions. For these reasons and the reasons stated above, the dates

Office of the Attorney General
Price Daniel Building—6th Floor
February 28, 2019
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are confidential and protected from disclosure.

In accordance with §552.301(e-1) a copy of these comments is being sent to the requestor. Please call me at (512) 837-9236 if you need additional information regarding this request.

Sincerely,

A handwritten signature in black ink, appearing to read "John J. Kolhoff", written over a printed name and title.

John J. Kolhoff
Commissioner

JK/cjb

Enclosures

cc: John Ricker via MuckRock.com
Cornerstone Credit Union League
Credit Union Coalition of Texas

COMPANY

1st University Credit Union
A New Direction Credit Union
Access Community Credit Union
ACU Credit Union
Alamo City Credit Union
ALLIANCE Credit Union
Alpine Community Credit Union
Amarillo Postal Employees Credit Union
American Baptist Association Credit Union
America's Credit Union
Amplify Credit Union
Angelina County Teachers Credit Union
Angelina Federal Employees Credit Union
Associated Credit Union of Texas
Baptist Credit Union
Baylor Health Care System Credit Union
Beaumont Community Credit Union
Brazos Community Credit Union
Brazos Valley Schools Credit Union
Cabot & NOI Employees Credit Union
Capitol Credit Union
Caprock Santa Fe Credit Union
Centex Citizens Credit Union
Cen-Tex Manufacturing Credit Union
Central Texas Teachers Credit Union
City Credit Union
Coastal Community And Teachers Credit Union
Coburn Credit Union
Community Resource Credit Union
Community Service Credit Union
Concho Valley Credit Union
Cooperative Teachers Credit Union
Corner Stone Credit Union
Corpus Christi Postal Employees Credit Union
Corpus Christi SP Credit Union
Credit Union of Texas
CTECU
Dallas U.P. Employees Credit Union
DATCU
Del Rio S.P. Credit Union
Doches Credit Union
E E South Texas Credit Union
East Texas Professional Credit Union
Eastex Credit Union
Edinburg Teachers Credit Union
Education Credit Union
Educators Credit Union

EXHIBIT B

EECU
Energy Capital Credit Union
Everman Parkway Credit Union
Federal Employees Credit Union
FedStar Credit Union
First Basin Credit Union
First Central Credit Union
First Class American Credit Union
First Community Credit Union
First Priority Credit Union
First Service Credit Union
Firstmark Credit Union
FivePoint Credit Union
Fort Worth City Credit Union
Fort Worth Community Credit Union
Freestone Credit Union
Galveston Government Employees Credit Union
GECU
Germania Credit Union
Grand Prairie Credit Union
Gulf Credit Union
Highway District 19 Employees Credit Union
Highway District 2 Credit Union
Highway District 9 Credit Union
Highway Employees Credit Union
Hockley County School Employees Credit Union
Houston Highway Credit Union
IBEW Local #681 Credit Union
InterCorp Credit Union
InTouch Credit Union
InvesTex Credit Union
Jafari No-Interest Credit Union
Keystone Credit Union
LCRA Credit Union
Lehrer Interests Credit Union
LibertyOne Credit Union
Light Commerce Credit Union
Linkage Credit Union
Lone Star Credit Union
Longview Consolidated Credit Union
Lubrizol Employees' Credit Union
Martin Luther King Credit Union
Matagorda County Credit Union
MCT Credit Union
Members Choice Credit Union
Members Credit Union
Members First Credit Union
MemberSource Credit Union

Memorial Credit Union
Mesquite Credit Union
Metro Medical Credit Union
Midland Municipal Employees Credit Union
Midwestern State University Credit Union
Mobility Credit Union
MTCU
My Community Credit Union
My Credit Union
National Oilwell Varco Employees Credit Union
Navarro Credit Union
Navy Army Community Credit Union
NCE Credit Union
Neighborhood Credit Union
North East Texas Credit Union
Oak Farms Employees Credit Union
Odessa Employees Credit Union
Orange County Teachers Credit Union
Pampa Municipal Credit Union
Paris District Credit Union
Pasadena Postal Credit Union
PIE Credit Union
Plus4 Credit Union
Pollock Employees Credit Union
Port of Houston Credit Union
PosTel Family Credit Union
Prestige Community Credit Union
Public Employees Credit Union
Reed Credit Union
Reeves County Teachers Credit Union
RelyOn Credit Union
Resource One Credit Union
Rio Grande Valley Credit Union
Schlumberger Employees Credit Union
Scott and White Employees Credit Union
Service 1st Credit Union
Shared Resources Credit Union
Skel-Tex Credit Union
Smart Financial Credit Union
South Texas Area Resources Credit Union
Southern Star Credit Union
Southwest 66 Credit Union
Southwest Heritage Credit Union
Space City Credit Union
SPCO Credit Union
Star of Texas Credit Union
Sweetex Credit Union
T & FS Employees Credit Union

Tarrant County's Credit Union
Telco Plus Credit Union
Temple Santa Fe Community Credit Union
Tex Mex Credit Union
Texans Credit Union
Texas Bay Credit Union
Texas Bridge Credit Union
Texas Dow Employees Credit Union.
Texas DPS Credit Union
Texas Health Credit Union
Texas Telcom Credit Union
Texas Trust Credit Union
Texell Credit Union
Texoma Community Credit Union
THD 6 Credit Union
THD District 17 Credit Union
The Electric Utilities Credit Union
Trans Texas Southwest Credit Union
Travis County Credit Union
Trinity Valley Teachers Credit Union
TxDOT Credit Union
Tyler City Employees Credit Union
U.S. Employees Credit Union
Union Pacific Employees Credit Union
Union Square Credit Union
United Community Credit Union
United Credit Union
United Energy Credit Union
United Heritage Credit Union
United Savers Trust Credit Union
United Texas Credit Union
Unity One Credit Union
VATAT Credit Union
Velocity Credit Union
Ward County Credit Union
West Texas Credit Union
WesTex Community Credit Union
Wharton County Teachers Credit Union
Witco Houston Employees Credit Union
ZZFellowship Credit Union
zzFirst United Credit Union
zzPromise Credit Union
zzSAFE Credit Union